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WASHINGTON, D. C., TUESDAY, AUGUST 2, 1921-TWENTY-EIGHT PAGES.

TWO CENTS.

ENRICO CARUSO DIES AND WORLD GRIEVES FOR LOSS OF TENOR

Singer Suddenly Passes Away at Home in Naples.

"WILL SING IN HEAVEN," HIS HOPE AND PROMISE

Greatest of Operatic Stars and Idol of Multitudes Had Triumphant Career.



ENA CO CARUSO.

NAPLES, August 2.-Enrico Caruso, world famous tenor, died here today. The condition of the singer, which had been considered satisfactory until recently, became grave yesterday, peritonitis developing, and another operation being considered necessary. however, there was serious concern over the outcome, and last night his life was despaired of. During the night the condition of the patient grew steadily worse, and the career of the great artist came to an end with his death at an early hour this

morning.
In June, 1920, his country home was robbed of thousands of dollars in jewels, and in the same week a bomb was set in the National Theater at Havana just before his entrance in the second half of "Aida."

CIEW YORK MOURNS DEATH. Scene of His Greatest Triumphs

Shocked by News. NEW YORK, August 2 .- The sorrow on every highway and byway of New York.

Here he was loved by all—the poor
of East Side tenements, the wealthy
of 5th Avenue's stately mansions, the
countless numbers who filled the
seats of the Metropolitan Opera
House between the snarkling nit and skies of his own Italy today caused originally suggested by President House between the sparkling pit and the somber galleries whenever the incomparable tenor sang a role. Street sweepers stopped their work to mumble a prayer for the departed tenor; the cultured lamented the loss to are of the most character. to art of one of its most cherished possessions. They felt the loss was not only America's, but the world's.

not only America's, but the world's. For Caruso's superb tones have enraptured audiences the world around. Voice Missed During Illness.

The homage paid him was never better realized than when his voice was silenced during his long illness. When he lay stricken, gallantly fighting against a death that seemed only hours away, ever expressing thehope that he might be spared until he could return to the soil that gave

he could return to the soil that gave him birth, the meek and the mighty of every land prayed that the great tenor would be spared to them and to art a little while longer.

Princes sent messages of sympathy and hope to his bedside from every country that knew a cable station or a wireless plant. In New York, push-cart peddlers, as well as business barons and leaders of society, eagerly bought newspapers hour by eagerly bought newspapers hour by ur to learn how Caruso's courageous hour to learn now fight was progressing. To the hotel suite where he was one operation after

suffering from one operation after another there went exquisite bouquets from florists' shops and also simple garlands that expressed the love and admiration of the poor. Cheerfulness Admired.

On the stage Caruso always was cheerful. His gayety in responding to curtain calls, his gracious bows and unexpected tricks, his inexhaustible energy, aroused an admiration that no boundaries, creeds or birth. His joy was in singing.
"I promise you that when I go to heaven I shall sing forever," he told an audience at the Friars' Club five

years ago. netimes, the possession of a voice that thousands considered the most perfect ever given to a man, palled upon the great tenor, and he would express regret that he could not be

just an ordinary somebody.

"The burdens of my gift-are greater than the rewards," he would say.

Personal friends knew Caruso to be as cheerful in private life as on the stage. Trouble seemed ever to follow yet he kept cheerful and undis-

nim, yet he kept cheerful and undis-mayed.

Last December a disheartening ser-ries of mishaps preceded the illness which led to his death. On the 8th he sprained his side when making an energetic exit after the aria "Vesti la Giubba," in "Pagliacci." Three days later he burst a blood vessel in his throat during a performance of "L'Elistr d'Amore," in Brooklyn, but he bravely carried on

Brooklyn, but he bravely carried on.

Two days before Christmas he lay
in bed, his chest under treatment for
"Intercostal neuralgia," but the
Christmas eve audience for "La Juiva" was not denied the joy of hearing
him, for he left his sickroom and
sang the role of Eleazar."

Heavens Moura Loss. .

Christmas he spent in bed, and the next day came word that pleurisy had attacked him.

Week after week he battled for life, undergring several operations. When he was sufficiently strong he went to Atlantic City for a few weeks, and then, when the warm sun of early summer came to Italy, he left New York, emaciated but smilling, confident that he would resmiling, confident that he would return in the fall to the thousands of music lovers who awaited him.
To the superstitious it seemed as (Continued on Nineteenth Page.)

20,000 D. C. RESIDENTS **FOUND TO HAVE OMITTED** PERSONAL TAX RETURNS

Twenty thousand Washingtonians failed to make personal tax returns to the District assessor before August 1 and will have a 12 per cent penalty added to their bill when they are rendered next May, Assessor William P. Richards announced today.

sor William P. Richards announced today.

The actual number who filed their return before the time limit expired was 30,500. This figure represents approximately two-thirds of the total personal tax levy.

The assessor's office urges the delinquents to file their return before the end of the calendar year, since the board of personal tax appeal meets in February.

\$10,000 GEM CLAIM

Galt & Bro. Files Bill for Jewelry Cost—Includes \$600 Wedding Ring.

Galt & Brother, Washington jewagainst the estate of George M. Oyster, jr., seventy-one-year-old dairy-

Other purchases include a diamond ring at \$2,700, a diamond bracelet at \$2,009, a sapphire and diamond bar pin at \$1,800, a gold vanity case, \$230, and a gold drinking cup at \$60. All these purchases were made in January, and on March 14 a diamond January, and on March 14 a diamond bracelet was bought for \$3,100.

An inventory of the Oyster estate is in course of preparation by the appraisers of the court. Counsel for the young widow has not yet decided whether he will advise her to accept the \$25,000 bequest made to her by a codicil of the will executed shortly before the death of Mr. Oyster, in lieu of her dower. The law allows her six months from the probate of the will to make this deate of the will to make this de-

peration being considered necessary. From the beginning of his relapse. BRITISH DROP PLAN FOR EARLY PARLEY

Decision Reached to Agree to Original Proposal of President Harding.

questions and has agreed to partici-

original date suggested, November 11, the anniversary of Armistice day, if President Harding still considers that the most suitable time, and will enter the conference without any reservations as to the set program, it was stated.

Doubt is expressed whether Pre-

mier Hughes of Australia and Pre-mier Massey of New Zealand will be able to attend, but they will, it is said, be represented by a British deputation.

The attendance of Mr. Lloyd George, the prime minister, also depends upor ircumstances, it was stated.

CONFER ON DATE.

Foreign Envoys Begard Agenda as More Important.

concerning the advisability of begin-ning the conference November 11, or upon some other date, and have in turn referred the question to their respective governments. Until further instructions are received by the am-bassadors it is expected that no defi-nite action will be taken.

nite action will be taken.

Representatives of foreign governments have made it plain, however, that they regard determination of the agenda as far more important than the fixing of the date of meeting.

They are understood to have reported in detail to their governments the desire of Secretary Hughes to leave to sire of Secretary Hughes to leave to of the plans for the conference is not pected to give rise to further delay issuing the formal invitations, it is slieved that the ambassadors expect receive from their home offices into receive from their home offices in-structions as to the parts they shall assume in adding to or taking from the list of subjects that may be dis-

EDMUND PERRIER DEAD.

Eminent French Naturalist Passes Away in Paris.

PARIS, August 2.—Edmund Perrier, director of the Museum of Natural History in Paris, died here today. He was born in 1844.

Prof. Perrier was one of France's most eminent naturalists, having been ing house to cope with the prominent leader of a number of societies of natural history. He was the author of a number of works on natural history, among the most important of which were "Zoological Philosophy before Darwin" and "Subnarine Exploitations."

SHORT SKIRTS TO STAY.

CHICAGO, August 2.—A revolution in women's styles, involving every-thing except short skirts, was indicat-ed for the coming winter by mem-bers of the National Wearing Apparel profuse trimmings of monkey fur,

CITY HEADS PARING STREET PROJECTS

> Citizens' Delegation Told Some Disappointments Are Sure to Come.

> IMPORTANT NEEDS FIRST

Location of Trash Disposal Plant Also Discussed-Occoquan

Many citizens' associations are desined to be disappointed in the amount of street improvements to be asked for by the Commissioners in their estimates to Congress, it was indicated loday by Engineer Commissioner

Kutz. The Commissioner made this-clear this morning during a hearing at which a committee from the Northeast Washington Citizens' Association lers, today filed a claim of \$10,060.25 presented a list of eleven civic betterments desired by that community. When President Evan H. Tucker

told the city heads his association man, who died only a few months after his marriage last January to Miss Cecil Ready, twenty-six years old, of Syracuse, N. Y. Included in the items of the jeweler's bill are purchases made in January and March last. A diamond wedding ring costing \$600 is among the articles bought.

Other purchases include a diamond ring at \$2,700, a diamond bracelet at \$2,009, a sapphire and diamond bar pin at \$1,800, a gold vanity case, \$220, and a gold delivities were superiorded.

Eleven Projects Asked. The eleven projects which the northeast citizens asked to have submitted to Congress in the estimate

First-An appropriation for the purchase of the Patterson tract for a public park, provided there shall be no assessment for benefits on owners of adjacent property.

Second—As appropriation sufficient to construct and maintain a bathing beach and the necessary appurtenances thereto, to be located in Anacostia Park in the vicinity of the New Eastern High School

Third—An appropriation for a plant for the disposal of refuse and the city's waste, that the existing nuisance may be eliminated from Northeast Washington and the city.

Fourth—An appropriation for the

Fourth—An appropriation for the paving of streets approaching the new Eastern High School, viz., East Capitol street from 15th to 19th street, A street northeast from 15th to 17th street, B street northeast from 15th to 19th street and 17th street from A street southeast to B street north-

LONDON, August 2.—Great Britain has dropped the proposal to hold a preliminary conference on Pacific questions and has agreed to participate in the Washington conference as the conference as t

lamps on Massachusetts avenue, east from Stanton Park.
Ninth—An appropriation for the purchase of vacant ground adjacent to the Ludlow School for playground er purposes.

Tenth—That the annual appropriations for the reclamation of the Anacostia flats be materially increased so as to insure the completion of the lows: project at an early date.

Eleventh—An appropriation for the repaving of H street along the subway under the tracks of the Washington Terminal Company.

Determination of the date for the disarmament conference is understood to rest largely in the foreign offices at London, Paris and Tokio. The diplomatic representatives of the invited powers have conferred at length with Secretary of State Hughes concerning the advisability of begin-He told the commissioners, however, even a modern trash plant built any-where in the city proper.

The delegation was composed of Mr. Tucker, Prof. Hall and Roscoe Jenkins.

building at Bari, in southeastern Italy, on the Adriatic, collapsed today, as a evidence that Japan is not alone in her insistence that the scope of the conference be more clearly outlined before the formal sessions are begun. Although consideration of that phase of the plans for the conference is not to have been killed in the disaster and to have been killed in the disaster and many injured.

One of the bodies taken out was that of M. Zavolania, reputed to be a Greek millionaire, who was transact-municipal miscellaneous taxes, such as motor transportation franchise motor fuel taxes for the taxes. ing business in the post office at the time of the collapse.

LONDON, August 2.—A violent earthquake shock was felt at Leghorn, Italy, and elsewhere Monday, and also to the London Times from Milan. Severe damage was done in the Lake Lugano district.

CANDY CLEARING HOUSE. Declared Necessity to Cope With

Public Demands. DETROIT, Mich., August 2.-Th necessity of establishing a candy clearing house to cope with the varying demands of the candy-buying public was under consideration today at the convention of the National Jobbing

Confectioners' Association.

The jobbers explain that the public taste is far from being staple; that one confection will be popular for a time, then another will suddenly "catch on." The clearing house would then redistribute the unpopular brand to new territory, relieving the dealers of stationary stock and at the same time releasing capital that otherwise would be sewed up.

Commenting on charges of profiteering in their trade, the candy men de-

Association, in convention here today. Straight lines, flowing sleeves, coats almost to the knees will be worn this winter, they said.

As to color, practically everything shown by the models was black, with profuse trimmings of monkey fur.

Commenting on charges of profiteering in their trade, the candy men declared sugar was the only ingredient that had dropped in price. Labor, transportation and flavoring, they asserted, were twice as high as before the war, while nuts that formerly cost 26 cents a pound now come at 30 cents.



Declare \$347,000,000, Approximately, Is Now Levied Annually on Motor Vehicles.

Automobile owners throughout the country, reports to Washington today ndicated, are going to make a deter nined fight against the proposal to place a federal tax on automobiles. The American Automobile Associa tion has fired the opening gun for the Chairman Fordney of the House ways and means committee requesting hearing before action is taken.

A street northeast from 15th to 17th street, B street northeast from 15th to 19th street and 17th street from A street southeast to B street northeast.

Fifth—An appropriation to complete the grading of New York avenue and U street from Florida avenue to Bladensburg road.

Sixth—An appropriation for the improvement of West Virginia avenue.

Seventh—An appropriation for the improvement of Seventh—An appropriation for the Seventh—An appropriation for the Seventh—An appropriation for the Instance of Seventh—An app

er taxes there would be no objection to it, the association states.

Taxes on Motor Vehicles. The letter to Chairman Fordney fol-

"The papers indicate that Representative Appleby of New Jersey has introduced a bill which is to be considered by your committee as a part

paymore taxes than any other class of individuals.

"The registration tax in some states is now as high as \$1 per horsepower, and on the heavier classes of trucks \$160 per ton. Car owners in many of these states are paying a multitude of taxes on their cars, including a registration fee, a driver's license fee, a personal property tax, a municipal franchise tax, a motor fuel tax, etc. Six or eight states now place a tax on gasoline of from 1 to 2 cents per gallon, which is not in lieu of, but in addition to,

transport franchise taxes, mileage taxes, business taxes and manufac-turers and dealers at least \$10,000,benefit of cities amounted to over \$10,000,000. Thus the federal, state and munici-pal burden now carried by the motor

(Continued on Page 2. Column 7.)

PRIZE FOR PRESIDENT.

Watermelon Weighing 76 Pounds Expressed From California.

TURLOCK, Calif., August 2.—A watermelon weighing seventy-six pounds, and measuring thirty inches in length, thirty-two inches in circumference, was ferwarded today by express to President Harding by a grower of this district.

The melon is expected to reach Washington about the time President Harding returns from his vacation.

ORGANIZING

This statement declares the field of state for the first time has now a motor taxation has been pre-empted strong republican organization, consist-by the states. If the proposed fed-eral tax were substituted for all oth-who have the confidence of the people

and who are pledged to further the cause of republican policies and principles.
"This is the first step of the national committee to promote party or-ganization in the southern states and replace present chaotic conditions with order.

Time Seen Propitious. way under the tracks of the Washington Terminal Company.

Wants Trash Plant at Occoquan.

Col. Kutz asked the committee if it cared to suggest where the proposed trash plant should be located. All three members agreed that it should be built outside the city, possibly at Occoquan.

Prof. Percival Hall, a member of the delegation, said he realized that it would be possible to build a modern incinerator in the city proper that would burn waste paper without throwing off objectionable odors. The professional to the commissioners, however, pay more taxes than any other class of Thomasville chairman. Chairman Philips was here yesterday in con-"The national committee deems the

son that the motor vehicle owners now pay more taxes than any other class of Individuals.

"The registration tax in some the national committee, and upon his

MANY DIE IN QUAKE.

Right Bodies Taken From Bari,

Italy, Post Office Buins.

By the Associated Press.

By the Associated Press.

ROME, August 1.—The post office building at Bari, in southeastern Italy, on the Adriatic, collapsed today, as a result of an earth tremor, and eight result of an earth tremor, and eight holdes have so far been recovered serving and total and the sum of the delay of the federal excise taxes on passenger cars amounted to \$33,600,294; on commercial vehicles, \$15,160,456, and on parts, accessories and tires, \$49,960,128.

"In addition to this car owners pay on registration and license fees in the various states approximately \$102,000,000, and in personal property taxes on motor vehicles at least result of an earth tremor, and eight holdes have so far been recovered to the sum of the distinct of endeavor in Florida, Missis-line of the caroline of the caroline of endeavor in Florida, Missis-line

LEAGUE FOR SMOKING.

NEW YORK, August 2.—The Smokers League Against Tobacco Prohibition, Incorporated, has been granted a charter by Supreme Cou Justice Martin. The league plans "establish and conserve the right the citizens of the United States America to the use of tobacco."

FIRE IN NEW YORK STOCK EXCHANGE TIES UP OPENING FOR THREE HOURS

NEW YORK, August 2.-The opening of the New York Stock Exchange was postponed three hours today because of a fire in the north wall annunciator board on the exchange floor. The Consolidated exchange also

closed until the big exchange resumed trade, but the curb market was unaffected.

was unanected.

The flames, believed by fire officials to have startd from a short circuit in electric wires, were discovered shooting up a shaft adjoining the north wall, where an addition is being built to the exchange. Cleuds of smoke swept into the main exchange. Firemen fought pearly two hours to keen fought nearly two hours to keep the fire out of the building, but despite their efforts the big indi-cator hoars was destroyed. The fire attracted a great crowd. Police reserves and scores e - 41 .74

of detectives and private guards were thrown into the financial district. Traffic was stopped on the Wall and Broad street sides of the burning building.
While the firemen were still at work. J. Pierpont Morgan arrived at his offices, just across the street, and watched the spectacle. Like other prominent Wall street men he was forced to leave his automobile a block from the scene automobile a block from the scene and walk past the fire to his office. The Morgan building was under a heavy guard of police.

With the exception of the annunciator board the exchange proper suffered little damage, except from smoke, although water poured over the floor. The total damage was estimated by fire officials at \$25,000.

Trading on the floor of the exchange began shortly after 1 change began shortly after 1 o'clock, and there was a large accumulation of orders. The visitor's gallery was closed.

War Department Officials Favor Broadening Highway to Cover New Flume. Plans for widening Conduit road at

ne time Washington's new ten-milion-dollar conduit from Great Falls is built are under consideration by

the road that little room is left for pedestrians. It is the one travel ar-tery over which automobiles may venture into Maryland without having to procure a Maryland license, the road being the property of the United States government.

It became known today that the War Department has prepared a three-million-dollar item for prosecuting work on the new conduit dur ing the new fiscal year. This is in line with its policy to complete the improvement within three years. The initial appropriation, provided in the current Army bill, is but \$200,000. and will cover merely the cost of

nreliminary operations Speed May Be Up to Dawes. Director of the Budget Dawes may have something to say, about how fast the conduit shall be built. The District is to pay 60 per cent of the cost and, at the rate of progress contemplated by the War Department, that would mean charging about \$2,000,000 annually to the municipality's budget for the next three years.

If this rate is maintained certain improvements needed in the District, such as new streets, parks and bridges, may have to go by the boards for the time. The seriousness of the water situation has brought about an agreement between federal and District government heads that

KILLED WITH WRENCH.

Postmaster at Tobacco, Va., Brutal ly Slain Near His Store. PETERSBURG, Va., August 2,-

Tivnal Elmore, postmaster and storekeeper at Tobacco, Va., a small town on the Virginian railroad about fifty miles south of Petersburg in Brunswick county, was killed about 400 yards from his store last night about nine o'clock. A bloodstained wrench, found alongside the road on which the body was found, told how the crime had been committed.

Mr. Elmore's head was terribly grushed, having been bettered almost crushed, having been battered alm

WORLD WEAL IN U.S. HAND

Tourist Sees Future Destinies Under American Control.

LAKE JUNALUSKA, N. C., August 2.—That the United States holds the future of the world in its hands, was the impression gained by S. G. Inman, in an extended tour of Europe and Latin American countries, he declared before the Methodist mission ary conference here yesterday.

Mr. Inman said President Harding more than any other man controls the destinies of the nations and if the churches of America would back him in disarmament conference politicians in disarmament conference politicians would not dare deprive the world of another chance for universal peace. He said England was more anxious than ever for closer relations with the United States.

House ways and means committee takes up details of tax revision bill. Page 18 tracted since 1919?" Chairman Anderson asked. There was general banking contraction since them. Mr. Williams agreed, but he expressed no control than ever for closer relations with the United States.

War of provinces disturbing to Chinese clusion as to the participation in control to the country beats.

NEW REPARATIONS PACT BETWEEN GERMANY AND FRANCE NEARLY READY

By the Associated Press.

PARIS, August 2.—Germany and France, will probably sign the new reparations agreement negotiated by Louis, Loucheur, and Drs. Walter Rathenau, German minister of reconstruction, in a few days, it was declared by the Petit Parisien today. The agreement will be submitted to the Supreme allied council for approval when it meets here early next week.

The accord which was reached by M. Loucheur and Dr. Rathenau is merely awaiting ratification by the German government before formal signatures are exchanged. Final details of the plan agreed upon have thus far been withheld from the public.

PORTLAND NOISILY **GREETS PRESIDEN**

Welcomed by Governor and Mayor, He Makes a Brief Speech.

PORTLAND, Me., August 2.-Presient Harding left here for Lancaster, N. H., shortly before 11 a.m. today. making the trip by automobile. An nformal reception was tendered him when his party landed from an eagle oat at custon house whark after an overnight trip from Plymouth on the presidential yacht Mayflower. Later he made a brief address from the teps of the municipal building. The Mayflower was convoyed by two

destroyers. The presidential party was to remain in Portland only twenty minutes before departing by automobile for New Hampshire, President Harding, however, made a brief address from his automobile.

The President believes in an American other city banks were getting more reserve loans than all the countries.

SOUTHERN STATES

Ilon-dollar conduit from Great Falls is built are under consideration by the War Department, it was learned today. The improvement contemplated would, it is believed, make that thoroughfare the most traveled one leading from the District.

The new water line is to be constructed alongside the present one, which lies just a few feet below the surface of Conduit road. This means travel over the road will be restricted considerably during the construction period, which is expected to consume three years. Army engineers point out that the road will be damaged by the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be construction work and that it would be the logical time, in repairing to the construction work and that it would be construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it would be the logical time, in repairing to the construction work and that it have repaired to address them briefly at the construction work and that it have repaired to address them briefly at the construction work and that it have repaired to a construction to the repaired

Unforgettable, Says President PLYMOUTH, Mass., August 2.-President Harding left Plymout last night for Portland. Me. Th submarine chaser 408, with the presi dential party aboard, showed off at 11:17 nd went down the harbor to 11:17 nd went down the harbor to transfer them to the Mayflower.
Before he left President Harding said:
"What impressed me most of all, apart from its sheer beauty, and the spiritual significance of this tercentenwas the fine manner in which the spiritual significance of this tercentented by the spiritual significance of this tercentented by the spiritual significance of this tercentented by the spiritual significance of the stercented by the spiritual significance of the spiritual signi ary celebration was brought out.
"For me the pageant, and indeed the whole day, was an unforgettable experience."

U. S.-ARGENTINA TRADE.

Balance Against Southern Republic 260,949,200 Pesos, Figures Show. BUENOS AIRES, August 1.—Fig-ures, which are understood to be argely loaned to its executive officers for speculative operations." based on official calculations, published by La Nacion show that Argentina's unfavorable trade balance in commerce between United States ed largely and at low rates of interand Argentina for the year ended est," Mr. Williams continued, "to cer-June 30, amounted to 260,949,200 pesos, tain New York institutions, and maingold, thus explaining the high price of the American dollar in this coun-

try. The figures take into consideration American export prices, plus in-creases due to freights and other charges, and the increased costs in pesos, due to the unfavorable exchange. With such balances piling up, the

with such balances plant up, the newspaper says, it will be impossible for Argentina to continue importing large amounts of merchandise from the United States, especially now that the emergency tariff has interposed a barrier to Argentinian exportations to the United States.

Today's News

Widening of Conduit road being considered in connection with new water supply plans. Portland greets President on his way to home of Secretary Weeks. Page 1 Automobile owners oppose the proposed federal tax on motor vehicles, declar-ing \$347,000,000 is now levied on them annually. Page Sid Hatfield hit by five bullets at double killing at Welch, W. Va. Page Page 2 Chile to make inquiry to U. S. over speech of Douglas in Peru. Page 2 Gen. Pershing to address D. C. campers at Meade this afternoon. Page 2 Gov. Small of Illinois-hints suit for false arrest to follow service of warrant for alleged embezzlement. Page 3 Mystery in express loss of \$57,500 by Gaston B. Means. Page 3

WILLIAMS SCORES GOVERNING POLICY OF RESERVE BANKS

Former Controller of Currency Criticises Gov. Harding and Loans.

HITS INTEREST RATES AND CREDIT DIVISION

Tells Joint Congressional Committee Money Was Used for Speculation-Favoritism Charged.

John Skelton Williams, former Conroller of the Currency, appeared today before a joint congressional committee considering agricultural problems, to criticise administration of the Federal Reserve banks. Gov. Harding of the Federal Reserve Board sat in the audi-

"I did not agree with the policy o the reserve board in indiscriminately raising interest rates in 1919," Mr. Williams said, "nor did I agree with it previously in a policy of making prodigal advances to institutions in the east, to the disadvantage of the west and south. "I found that the board in 1919 was advancing directly and indirectly a total sum of \$130,000,000 to a single institu

tion in New York city." Cites Statistics

address from his automobile.

The President believes in an America in absolute truth, as well as in name, he said, in his short talk to the thousands of people gathered in front of city hall.

Informal Welcome.

The chief executive was welcomed informally to the state and city by Gov. Percival P. Baxter and Mayor Charles B. Clarke. As he walked to the automobiles furnished by Secretary of War Weeks, whose guests the party will be in New Hampshire, the President shook hands with those along the dock.

President Harding was given the presidential salute of twenty-one guns when the Mayflower was abreast of Fort Williams after passing in by Cape Elizabeth. Whistles on harbor craft and in the city took up the salute and continued as the Mayflower anchored.

Through streets crowded by thousands, who learned only at the last moment that the President had consented to address them briefly at the request of Senator Frederick hands which controlled amount of resource totals of banks which controlled amount of resource totals.

pounded from resource totals of banks which controlled amount of re-Protests Credit.

Returning to his statement, Mr. Williams said:
"On December 26, 1919, the report showed the New York Federal Reserve Bank had lent to one New York bank \$130,000,000."

Mr. Williams and he had protested Mr. Williams said he had protested to the board at the extent of the

spicuous for its speculative activi-"It was not a national bank: Chairman Anderson asked.
"It was not." Mr. Williams returned.
"I asked a special examination of its condition, but it was not allowed on the ground that the board's intervention might alarm the state banking authorities."

Senator Harrison, democrat, Mis sissippi, asked if the reserve law did sissippi, asked if the reserve law did not forbid "speculative borrowings." Mr. Williams said if did.
"But that does not prevent an in-stitution from borrowing \$10,000,000 in liberty bonds." Mr. Williams added, "and rediscounting it with the reserve system and then lending the money

its president for speculative op erations."
"Isn't it true that that institution is largely engaged in lending money for export of grain, all other farm products and manufactures to Eu-rope?" Mr. Mills asked. "I presume it is largely so engaged."

Power to Control. "The reserve board has always loanhard times alike, when the board was forcing liquidation at immense sacri-fices to borrowers in Richmond, At-lanta and Dallas districts."

Effectual power is in the reserve board to control all the conditions he criticised, Mr. Williams asserted durriticised, Mr. Williams asserted dur-ing an argument.
"It can remove any reserve bank of-ficer found incompetent," Mr. Wil-liams added, "and it can tell any bank to go slow." to go slow. "I'm informed that country banks

send large sums to New York to be loaned on call, for speculative pur-poses," Chairman Anderson said. "Do you recommend that these country banks be subject to restrictions also?" "I do," Mr. Williams said. Criticises Loans,

in Paragraphs
Street improvement projects certain to be reduced by Commissioners. Page 1
South to be organized by republicans for political contests of future. Page 1
Ten thousand-dollar jewelry claim filed against Oyster estate. Page 1
Widening of Conduit road being considuances. With the same of the Federal Reserve Board ought to be used to compel compliance with banking laws on the part of member banks? Mr. Anderson asked. banks?" Mr. Anderson asked.

"I do," Mr. Williams replied.

"Do you contend any federal reserve bank has violated the law?" Mr.

Mills asked.

"I make no such charge," Mr. Williams eald.

liams said.

He read more of the resource statistics of the New York bank, which showed, he asserted, that in December, 1919, it was "lending huge sums to certain institutions" while the board was curtailling credit elsewhere. At Issue With Harding.

Mr. Williams, reading testimony from congressional bearings took issue with statements of Gov. Harding, who followed the witness intently, but did not seek to interrupt.

Mr. Williams testified from a mass of papers hank reports and docu-Mystery in express loss of \$57,500 by Gaston B. Means.

Page 3
Twenty indicted in mail robberies aggregating nearly \$6,000,000.

Page 4
Postmistress, daughter of clergyman, held on murder charge.

Playground fund is increased by \$250 contributions.

Page 18
Plan for alien registration explained by Secretary Davis.

Page 13
Virginia democratic primary being held today.

House ways and means committee takes up details of tax revision bill.

Page 18
W. R. and E. committee meets tomortic contracted since 1919? Chairman Anderson asked. There was general banking contraction since then.

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